

## Data Sheet

<b>USAID Mission:</b>	Lebanon
<b>Program Title:</b>	Improved Environmental Policies and Practices
<b>Pillar:</b>	Global Health
<b>Strategic Objective:</b>	268-005
<b>Proposed FY 2004 Obligation:</b>	\$12,000,000 ESF
<b>Prior Year Unobligated:</b>	\$9,050,000 ESF
<b>Proposed FY 2005 Obligation:</b>	\$5,000,000 ESF
<b>Year of Initial Obligation:</b>	FY 2003
<b>Year of Final Obligation:</b>	FY 2005

**Summary:** This program aims to change the behavior and thinking of the Lebanese towards the environment by advocating policy reform and demonstrating environmentally sound and appropriate solutions to environmental problems at national and local levels. Activities will capitalize on the initial success of and heightened demand for environmental conservation and health activities and will build upon the nascent water policy program involving activities in collaborative water management and water pricing policies. Focusing on these areas, USAID is filling critical gaps that neither the Government of Lebanon (GOL) nor other donors are addressing. Specifically, this program is helping rural communities create healthier, environmentally friendly living conditions, and aiding the private sector and the GOL in assessing and managing water resources more efficiently.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

Waste Management Program (\$3,500,000 ESF in south Lebanon, \$2,000,000 ESF Nationally). These funds will be used to continue and expand the waste management program that adopts appropriate and affordable waste disposal technologies in 188 communities. In many rural municipalities, these activities have emerged as the most viable alternative to large-scale and costly infrastructure schemes. USAID activities continue to provide cost effective, environmentally sound and appropriate solutions to solid waste and wastewater disposal problems facing rural communities. Technologies adopted rely on solid waste composting and recycling or aerobic and/or anaerobic treatment of wastewater and olive waste. Construction of waste management facilities will be accompanied with activities to strengthen the management capabilities of the beneficiary municipalities and raise general awareness on sorting of waste at the source. This would improve quality of the end product and ensure the commitment of the community and municipalities towards the sustainable operation of the facilities. As the program started late in FY 2003, the first year results will begin to materialize in FY 2004. Consequently, results of FY 2004 funds will materialize in FY 2005 when 16 municipalities will have treatment facilities that are operating effectively and preventing the pollution of more than 800 hectares of cultivable land. Four U.S. NGOs implement this activity: Young Men's Christian Association, Cooperative Housing Foundation, Mercy Corps International, and the Catholic Near East Welfare Association/Pontifical Mission.

Water Projects Program (\$5,000,000 ESF in south Lebanon). In the short term, activities will include wastewater treatment facilities. USAID also plans to support activities that will target the reduction of waste disposal in the Litani River. Additional activities will be proposed once the Water Quality Assessment of the Upper Litani River and Lake Qaraoun is completed.

Water Policy Program (\$1,500,000 ESF). This program will continue to build a knowledge base and promote a common vision for policy makers on private sector participation (PSP) in the water sector and in strengthening the South Lebanon Water Establishment. Planned activities include three study tours; two seminars; and 200 professional meetings and consultations on PSP issues. The program will also develop training materials and workshops on collaborative planning in water management and negotiation skills among stakeholders. It is estimated that around 50 people (40 males and 10 females) will be

trained. In addition, the program will examine national water pricing policies using the tools that were developed for the South Lebanon Water Establishment (SLWE), and will continue working on developing a national tariff strategy. At the regional level, the program will conduct data validation of the South Lebanon hydraulic analysis conducted in FY 2003. This will help the SLWE identify investment requirements and develop an action plan for improving the water systems. Also the business plan and the organizational chart developed for the SLWE in FY 2003 will be refined to help determine the pricing policies of water services by evaluating different tariff options and assessing and proposing scenarios for restructuring tariffs. The pilot activities conducted for the SLWE have started drawing the interest of other water establishments. In FY 2004, the program will be able to provide options for public/private participation in the SLWE and develop a water services pricing model for the South. The implementing partner is Development Alternatives, Inc.

Tariff Pricing Contract (\$150,000 ESF Prior Year Unobligated). DAI will develop a tariff pricing structure for the Water Authority for the city of Saida located in southern Lebanon.

Other Activities (\$8,900,000 ESF Prior Year Unobligated). Section 1224 of the Foreign Relations Authorization Act of FY2003 restricts the use of \$10 million in FY 2003 ESF for Lebanon. Should the FY 2003 funds become available before the end of FY 2004, their effective date of expiration, \$8.9 million of these funds would be allocated for water projects in southern Lebanon.

#### **FY 2005 Program:**

Waste management program (\$5,000,000 ESF). Around 34 facilities are targeted to be completed and operating by the end of FY 2005, leading to a 56% improvement in citizens' behavior and understanding of the environment. Also more than 16,000 cubic meters of water will be treated, thereby preventing the further pollution of more than 1,700 hectares of previously polluted land. It is estimated that by the end of 2005 or early 2006, municipalities will be able to generate an income of around \$34,000 per year from reuse sales of solid waste facilities.

The contract ends in September 2004. The program's performance in FY 2004 will directly impact the future direction of the Lebanon Water Policy Program. However, USAID plans to continue working in the sector of water resources management.

**Performance and Results:** The waste management program is still in its preparation stage, whereby environmental impact assessments and community mobilization and community awareness activities are underway. This program is filling a gap that neither the private sector nor the government is filling. In addition to the geographic areas selected, USAID is still receiving huge demands for treatment facilities in other areas. It is expected that by the end of this program, 37 facilities will be operating, benefiting 188 villages and creating training-linked jobs for 109 people. In addition, an increase of 69% in people's understanding and behavior towards their environment is expected. It is estimated that by the end of 2004, 16 facilities will be completed and ready for operation.

During its first year of operations, the Water Policy Program made significant changes at the national and regional levels. Nationally, the issue of water sector privatization was still largely unknown until the program was launched, drawing the interest of major stakeholders and decision makers on the subject of water tariff strategy and private sector participation in the water sector. Regionally, the South Lebanon Water Establishment (using USAID assistance) has developed into the only water management entity in Lebanon with a clear vision and strategy and is in a position to identify the requirements needed for running an efficient operation. After the first two years, the water policy program anticipates that Lebanon will have developed a consensus on the direction of water sector reform and public private participation. Consensus also should be reached on the general tariff strategy encouraging equitable and efficient use of water enabling broader participation by private operators. The South Lebanon Water Establishment will have adopted the business plan and gotten official approval for the new organizational chart that will enable it to operate more efficiently. It is expected that by the end of FY 2005, the level of unaccounted for water will decrease from 56% to 44%.

## US Financing in Thousands of Dollars

Lebanon

268-005 Improved Environmental Policies and Practices	DA	ESF
<b>Through September 30, 2002</b>		
Obligations	2,703	10,154
Expenditures	1,173	8,121
Unliquidated	1,530	2,033
<b>Fiscal Year 2003</b>		
Obligations	0	8,350
Expenditures	702	2,451
<b>Through September 30, 2003</b>		
Obligations	2,703	18,504
Expenditures	1,875	10,572
Unliquidated	828	7,932
<b>Prior Year Unobligated Funds</b>		
Obligations	0	9,050
<b>Planned Fiscal Year 2004 NOA</b>		
Obligations	0	12,000
<b>Total Planned Fiscal Year 2004</b>		
Obligations	0	21,050
<b>Proposed Fiscal Year 2005 NOA</b>		
Obligations	0	5,000
Future Obligations	0	10,000
Est. Total Cost	2,703	54,554